REMARKS

Claims 1-8, 10, 11, 13, 14, 20, 21, and 28-31 are pending in the Application and are now presented for examination. Claims 1-4, 6-8, 10, 11, 13, 20, and 28-30 have been amended. Claims 9, 12, 15-19, 22-27, 32 and 33 have been cancelled without prejudice and without disclaimer of subject matter. No new matter has been added.

Claims 1, 20 and 28-30 are independent.

Claim Rejections – 35 U.S.C. §101

On page 2 of the Office Action, Claims 1-14, 20-21 28-29 and 31 are rejected under 35 U.S.C. §101 on the grounds that the claimed invention is purportedly directed to non-statutory subject matter. Claims 9 and 12 have been cancelled without prejudice or disclaimer of subject matter. Applicants respectfully traverse the remaining rejections.

The Office Action asserts that Claims 1-14, 20-21, 29, and 31 are "software per se." Office Action, paragraph 4. Applicants have amended Claim 1 to recite memory and a program manager. A memory is hardware, and a program manager may be implemented as software executed by a processor, and thus Claim 1 recites statutory subject matter. Applicants have amended Claim 20 to recite "a memory storing a history of use of a hardware module," which is hardware, not software, and thus Claim 20 recites statutory subject matter. Claim 29, as presently amended recites a memory and a processor, which is hardware, and not merely software. Thus, Claim 29 recites statutory subject matter. Claim 31 depends from Claim 20, which has been shown to recite statutory subject matter.

The Office Action asserts that Claim 28 is directed to non statutory subject matter on the grounds that it does not satisfy the machine-or-transformation test. Office Action, paragraph 7. Applicants respectfully refer to the U.S. Supreme Court's recent holding in *Bilski et al. v. Kappos*, 561 U.S. ____ (2010), which explicitly rejected the "machine or transformation" test as the sole test for determining patentability of a process under 35 U.S.C. §101. Applicants' invention as recited in Claim 28 is most certainly not directed toward an "abstract idea." As such, Claim 28 is directed toward statutory subject matter and the withdrawal of this rejection is earnestly solicited. Moreover, Claim 28 satisfies the machine-or-transformation test because it is tied to hardware, namely a program controller <u>apparatus</u> that accesses a <u>memory</u>.

Accordingly, Applicants respectfully request withdrawal of the rejections under 35 U.S.C. §101.

Claim Rejections – 35 U.S.C. §102

On page 4 of the Office Action, Claims 1-14, 20-21 and 29-30 are rejected under 35 U.S.C. §102(b) as being unpatentable over U.S. Patent No. 5,926,624 to Katz *et al.* ("Katz"). Claims 9 and 12 have been cancelled without prejudice or disclaimer, rendering their rejections moot. Applicants respectfully traverse the remaining rejections.

<u>Independent Claims 1, 20, 29, and 30</u>

Amended independent Claims 1, 20, 29, and 30 are directed to a program controller and method for managing a program executable by a hardware module. For example, Claim 1 recites a program controller having a memory to store a history of use of the hardware module and an agreement between a supplier and customer concerning use of the program. In particular,

amended independent Claims 1, 20, 29, and 30 recite that, "the stored history includ[es] a list of backplanes that have used the hardware module." This feature is not disclosed or suggested by Katz.

Katz describes client browser software that operates in cooperation with library management software and firmware resident in a mobile playback device. The client browser software enables a user to browse and select digital information from the library. Downloading the selected digital information to a client computer may occur without user intervention. Further, portions of the firmware that are resident in the mobile playback device may be downloaded as well. If the library server has an updated version of the software, this updated version may be downloaded. Katz, col. 11, ll. 1-31. Katz says nothing about storing history of hardware, much less that the history includes a list of backplanes that have used the hardware.

Therefore, Katz fails to teach or suggest that "the stored history includ[es] a list of backplanes that have used the hardware module," as recited in Claims 1, 20, 29, and 30. Hence, these claims are allowable, and withdrawal of their rejections is respectfully requested.

<u>Dependent Claims 2-8, 10, 11, 13, 14, and 21</u>

Claims 2-8, 10, 11, 13, 14, and 21 depend directly or indirectly from one or another of independent Claims 1 and 20, discussed above. These claims recite additional limitations which, in conformity with the features of their corresponding independent claim, are not disclosed or suggested by the art of record. The dependent claims are therefore believed patentable. However, the individual reconsideration of the patentability of each claim on its own merits is respectfully requested.

Claim Rejections – 35 U.S.C. §103

On page 5 of the Office Action, Claims 1-14, 20-21 and 28-33 are rejected under 35 U.S.C. §103(a) as being unpatentable over Katz in view of U.S. Patent No. 5,499,298 to Narasimahalu *et al.* ("Narasimahalu") and further in view of U.S. Patent No. 6,073,123 to Staley ("Staley"). Claims 9, 12 and 32-33 have been cancelled without prejudice or disclaimer of subject matter, thereby rendering the rejection to these claims moot. Applicants respectfully traverse the remaining rejections.

Independent Claims 1, 20 and 28-30

As discussed above with reference to Claim 1, amended independent Claims 1, 20 and 28-30 recite that "the stored history include[es] a list of backplanes that have used the hardware module." This feature is not disclosed or suggested by Katz, Narasimahalu, or Staley, whether considered individually or in combination.

Katz describes client browser software that operates in cooperation with library management software and firmware resident in a mobile playback device. The client browser software enables a user to browse and select digital information from the library. Downloading the selected digital information to a client computer may occur without user intervention. Further, portions of the firmware that is resident in the mobile playback device may be downloaded as well. If the library server has an updated version of the software, this updated version may be downloaded. Katz, col. 11, ll. 1-31. Katz says nothing about storing history of hardware, much less that the history includes a list of backplanes that have used the hardware.

Narasimahalu does not cure the deficiencies of Katz. Narasimahalu merely describes a controller that may be implemented in hardware and software. The controller is coupled to

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memory and outputs control information. The control information is limited with respect to how many times it may be accessed before it is no longer accessible. Narasimahalu, col. 8, l. 37- col. 9, l. 6. Narasimahalu says nothing about storing history of hardware, much less that the history includes a list of backplanes that have used the hardware.

Staley does not cure the deficiencies of Katz and Narasimahalu. Rather, Staley simply describes that a copy of software is stamped with a "stamp history" of license numbers, where each license number is associated with a session of use of the software. Staley, col. 2, ll. 7-26. In contrast to Claims 1, 20 and 28-30, Staley does not disclose or suggest storing a history of hardware that includes a list of backplanes that have used the hardware.

Therefore, Katz, Narasimahalu, and Staley, whether considered individually or in combination, fail to teach or suggest "the stored history including a list of backplanes that have used the hardware module," as recited in Claims 1, 20, 28, 29 and 30. Hence, these claims are allowable and withdrawal of their rejections is respectfully requested.

Dependent Claims 2-8, 10, 11, 13, 14, 21 and 31

Claims 2-8, 10, 11, 13, 14, 21, and 31 are dependent either directly or indirectly from one or another of independent Claims 1 and 20, discussed above. These claims recite additional limitations which, in conformity with the features of their corresponding independent claim, are not disclosed or suggested by the art of record. The dependent claims are therefore believed patentable. However, the individual reconsideration of the patentability of each claim on its own merits is respectfully requested.

For all of the above reasons, the claim objections are believed to have been overcome

placing pending claims in condition for allowance, and reconsideration and allowance thereof is

respectfully requested.

The Examiner is encouraged to telephone the undersigned to discuss any matter that

would expedite allowance of the present application.

The Commissioner is hereby authorized to credit overpayments or charge payment of any

additional fees associated with this communication to Deposit Account No. 502104.

Respectfully submitted,

Date: November 3, 2010   By: /Alan M. Weisberg/

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